

ARS – QUARTERLY ACTIVITIES REPORT

Quarterly Activities Report
ASX: ARS

30th April 2018

ALT RESOURCES

Quarterly Report – Review of Activities

Period ending 31st March 2018

OVERVIEW

Alt Resources' recent acquisitions of the Bottle Creek Gold Project and neighbouring Mt Ida projects in Western Australia are part of the Company's strategy to make new discoveries and expand existing resources using modern exploration techniques.

Alt commenced reverse circulation (RC) drilling at Bottle Creek during the quarter as part of fast-tracking a pre-feasibility study for the project. Alt is aiming to establish a central gold production hub at Bottle Creek, where it could process ore from multiple open-pit operations at Bottle Creek, Mt Ida South and Quinns.

Alt also continued exploration of its Myalla and Paupong projects in NSW.

Key Points:

Bottle Creek, WA

- 8,000m of RC drilling completed at Bottle Creek
- First modern exploration at the project since 1988
- Results from Emu deposit included
- - 23m @ 4.0 g/t Au from 31m including 1m @ 10.2 g/t Au, 55 g/t Ag from 71m
 - 26m @ 2.3 g/t Au from 33m including 7m @ 7.1 g/t Au from 45m including 1m @ 21.8 g/t Au from 48m
 - 22m @ 6.3 g/t Au from 52m including 5m @ 10.6 g/t Au from 60m
 - 29m @ 4.0 g/t Au from 39m including 5m @ 7.2 g/t Au from 60m
 - 6m @ 19.3 g/t Au, including 2m @ 51.7 g/t Au
 - 27m @ 5.6 g/t Au, including 3m @ 10.5 g/t Au and 1m @ 15.2 g/t Au
 - 7m @ 9.9 g/t Au (EOH), including 1m @ 23.8 g/t Au
- Assays pending for drilling at Southwark
- RC drilling at Emu to continue until end of April
- Diamond drilling to commence in May
- Strategy for development of Bottle Creek as a mining hub for the Mt Ida gold belt
- Alt is fast-tracking a PFS for Bottle Creek



Mt Ida Projects, WA

- Acquisition of Mt Ida South, Quinns and Mt Ida JV projects nearing completion
- Combined existing JORC resource estimate of 1.23 Mt @ 2.46 g/t Au, for 97,037 oz Au
- Review underway to generate new targets for exploration across these projects

Myalla Project, NSW

- Six holes completed targeting mineralisation beneath historical workings and confirmation of previous exploration
- Results included
 - 3m @ 2.1 g/t Au, 3.7 g/t Ag and 174 g/t Bi from 17m and
 - 2m @ 2.7 g/t Au, 11.8 g/t Ag, 300 g/t Bi and 0.48% Cu from 62m
 - 1m @ 5.4 g/t Au, 55.6 g/t Ag and 212 g/t Bi from 40m
- Results confirmed the system as polymetallic and similar to the Paupong system nearby
- Diamond drilling is planned for late in 2018

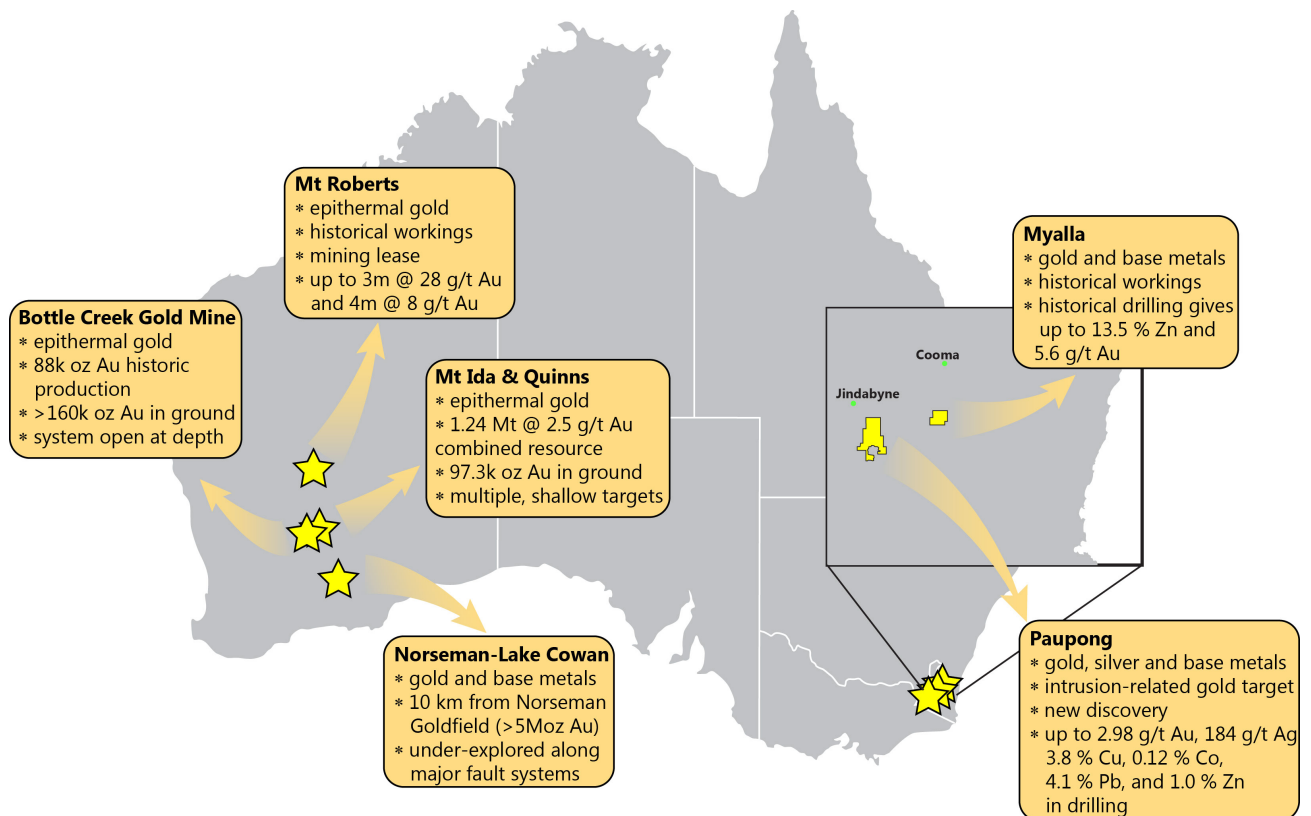


Figure 1. Location of Alt Resources' projects. Activity for the Quarter has focused on the Bottle Creek and Myalla Projects in WA and NSW respectively.



WESTERN AUSTRALIA

Bottle Creek Project

In November 2017, Alt executed a binding Option to Purchase Agreement for the Bottle Creek Project, 100km northwest of Menzies, WA in the Mt Ida gold belt (Figure 2). Historically, the Bottle Creek gold mine saw production in 1988 and 1989 from the VB and Boags pits of around 90,000 oz Au. Mining occurred to a depth of 50m below surface.

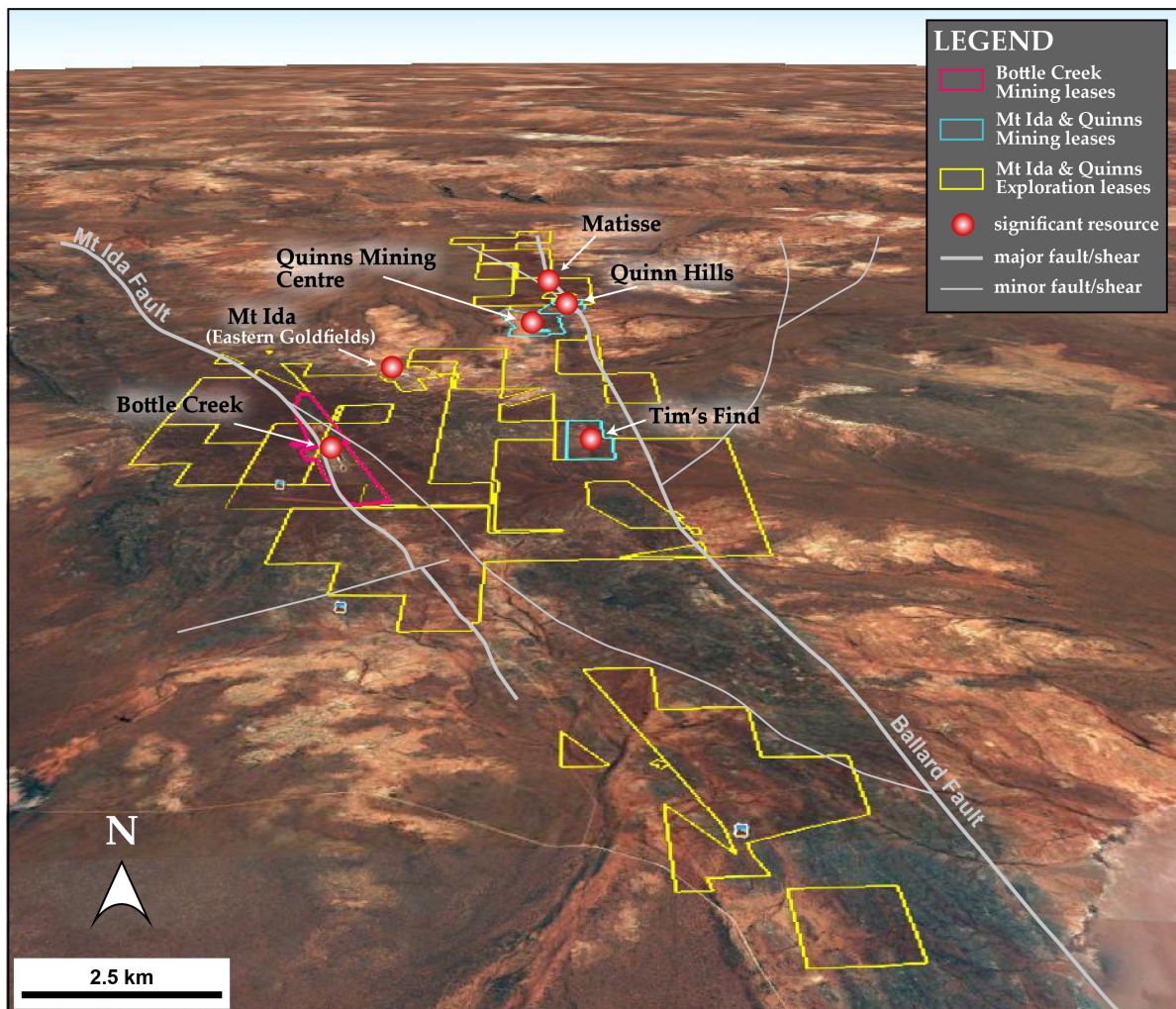


Figure 2. Location of the Bottle Creek and Mt Ida gold projects in Western Australia. Bottle Creek is shown outlined in red, whilst the Mt Ida group of tenements are shown in yellow. Significant resources are also indicated, including the adjacent Eastern Goldfields-owned Mt Ida mine with 128,000 oz Au (0.26 Mt @ 15.4 g/t Au) and an average grade of 17 g/t Au.

In January, Alt submitted a Program of Works (POW) application to the WA Department of Mines, Industry Regulation and Safety (DMIRS). The Company planned a 10,000m program of reverse circulation (RC) drilling at the previously un-mined Emu and Southwark deposits to validate historical intercepts, increase confidence in historical data and expand the known zones of mineralisation immediately along strike.



Alt's immediate focus is on un-mined gold mineralisation such as at Emu, Southwark and the un-mined ore shoots beneath the existing VB and Boags pits. Broad, untested, high grade ore

shoots at these deposits present immediate walk-up targets for exploration drilling and further resource development at Bottle Creek. Grades up to 21.2 g/t Au and 810 g/t Ag are reported from historical drilling beneath the VB Pit¹, alongside broad, consistently graded intercepts such as 12m @ 3.1g/t Au. A review of the historical data revealed promising gold and silver intercepts remaining in-ground below the mined surface at the southern and northern ends of the VB deposit.

Alt constructed a camp at Bottle Creek in 14 days, and then commenced drilling at the Emu deposit on the 12th March 2018. This drilling represented the first modern exploration to be undertaken at the Bottle Creek Gold Project since 1988. Initial assay results from the first 10 holes drilled returned grades up to 21.8 g/t Au, alongside broad, consistently graded zones such as 23m @ 3.99 g/t Au². Figure 3 shows drilling to date at Emu with significant intercepts.

Initial results included:

- EMAC001: 20m @ 4.1 g/t Au from 40m including 7m @ 7.8 g/t Au from 47m
- EMAC002: 14m @ 1.4 g/t Au from 19m
- EMRC003: 23m @ 4.0 g/t Au from 31m including 1m @ 10.2 g/t Au, 55 g/t Ag from 71m
- EMRC004: 16m @ 2.9 g/t Au from 58m
- EMRC005: 12m @ 1.1 g/t Au from 5m and 1m @ 5.2 g/t Au from 33m
- EMRC006: 7m @ 3.0 g/t Au from 28m and 8m @ 4.7 g/t Au from 41m
- EMRC007: 21m @ 3.1 g/t Au from 43m including 9m @ 5.4 g/t Au from 46m
- EMRC008: 13m @ 1.5 g/t Au from 17m
- EMRC009: 26m @ 2.3 g/t Au from 33m including 7m @ 7.1 g/t Au from 45m including 1m @ 21.8 g/t Au from 48m
- EMRC010: 9m @ 2.8 g/t Au from 69m.

On the 5th April 2018, Alt reported results from its second batch of assays from drilling at the Emu deposit³. Gold mineralisation in these results was close to surface, with most results commencing above 50m depth. Furthermore, several drillholes ended in gold mineralisation (e.g. EMRC015, 016 and 020), so drilling has not determined the true width of these intercepts. This demonstrates that gold mineralisation may have greater depth extent than previously thought, with possible repetitions of mineralised zones at depth. Alt is currently planning a series of deeper drillholes to test these concepts.

Results included:

- EMRC011: 7m @ 2.4 g/t Au from 14m
- EMRC012: 8m @ 2.4 g/t Au from 34m and 1m @ 1.3 g/t Au from 59m to EOH
- EMRC013: 2m @ 1.1 g/t Au from 43m and 22m @ 6.3 g/t Au from 52m including 5m @ 10.6 g/t Au from 60m
- EMRC014: 2m @ 1.3 g/t Au from 38m

¹ See ARS announcement, 12th March 2018: <https://www.altresources.com.au/wp-content/uploads/2018/03/ALT-ASX-Bottle-Creek-VB-targets-12Mar18.pdf>

² See ARS announcement, 27th March, 2018: <https://www.altresources.com.au/wp-content/uploads/2018/03/Multiple-High-Grade-Gold-Intercepts-Bottle-Creek.pdf>

³ See ARS announcement, 5th April, 2018: https://www.altresources.com.au/wp-content/uploads/2018/04/Announcement-More-Emu-drilling-results_ASX-5Apr18.pdf



- EMRC015: 3m @ 1.3 g/t Au from 105m to EOH
- EMRC016: 35m @ 1.3 g/t Au from 107m to EOH including 4m @ 4.3 g/t Au from 109m
- EMRC017: 7m @ 2.0 g/t Au from 10m
- EMRC018: 5m @ 5.1 g/t Au from 23m
- EMRC019: 29m @ 4.0 g/t Au from 39m including 5m @ 7.2 g/t Au from 60m
- EMRC020: 7m @ 1.8 g/t Au from 57m and 1m @ 2.2 g/t Au from 101m to EOH.

Two previous drillholes (EMAC001 and EMRC004), were re-analysed for additional metals and other elements. These assays revealed anomalous silver and lead mineralisation associated with gold-rich zones. Significant results³ included:

- EMAC001: 44m @ 3.2 g/t Ag from 32m including 11m @ 5.8 g/t Ag from 50m and 5m @ 0.3 % Pb from 55m including 1m @ 0.6 % Pb from 56m
- EMRC004: 44m @ 5.3 g/t Ag from 37m including 14m @ 0.2 % Pb from 39m and 6m @ 0.3 % Pb from 66m.

Alt reported results from a further 900m of RC drilling on the 11th April 2018⁴, with results up to 53.0 g/t Au and 50.4 g/t Au occurring alongside broad, consistently graded zones such as 27m @ 5.6 g/t Au.

Significant intercepts included:

- EMRC022: 5m @ 5.2 g/t Au from 19m
- EMRC023: 24m @ 4.0 g/t Au from 22m, including 2m @ 16.2 g/t Au from 42m
- EMRC024: 6m @ 19.3 g/t Au from 73m, including 2m @ 51.7 g/t Au from 73m
- EMRC025: 27m @ 5.6 g/t Au from 34m, including 3m @ 10.5 g/t Au from 35m and 1m @ 15.2 g/t Au from 40m
- EMRC026: 19m @ 3.0 g/t Au from 38m
- EMRC027: 7m @ 9.9 g/t Au from 49m to EOH, including 1m @ 23.8 g/t Au from 52m
- EMRC028: 13m @ 1.7 g/t Au from 104m
- EMRC029: 11m @ 8.2 g/t Au from 46m, including 4m @ 12.6 g/t Au from 49m
- EMRC030: 9m @ 2.9 g/t Au from 12m, including 1m @ 10.9 g/t Au from 16m
- EMRC032: 19m @ 5.0 g/t Au from 59m, including 4m @ 11.8 g/t Au from 63m
- EMRC033: 15m @ 5.6 g/t Au from 76m, including 1m @ 17.6 g/t Au from 76m

Assays are pending for the Southwark deposit, which lies 1,000m along strike to the north of Emu. Alt is planning to continue RC drilling at Emu until the end of April 2018. 4,000m of RC drilling had been completed at Bottle Creek to the end of the Quarter. Alt plans to undertake diamond drilling at Bottle Creek in May 2018, to collect metallurgical samples and conduct initial geotechnical studies for resource development.

⁴ See ARS announcement, 11th April, 2018: <https://www.altresources.com.au/wp-content/uploads/2018/04/ARS-Announcement-Additional-High-Grade-Results-Emu-Deposit-11Apr18.pdf>

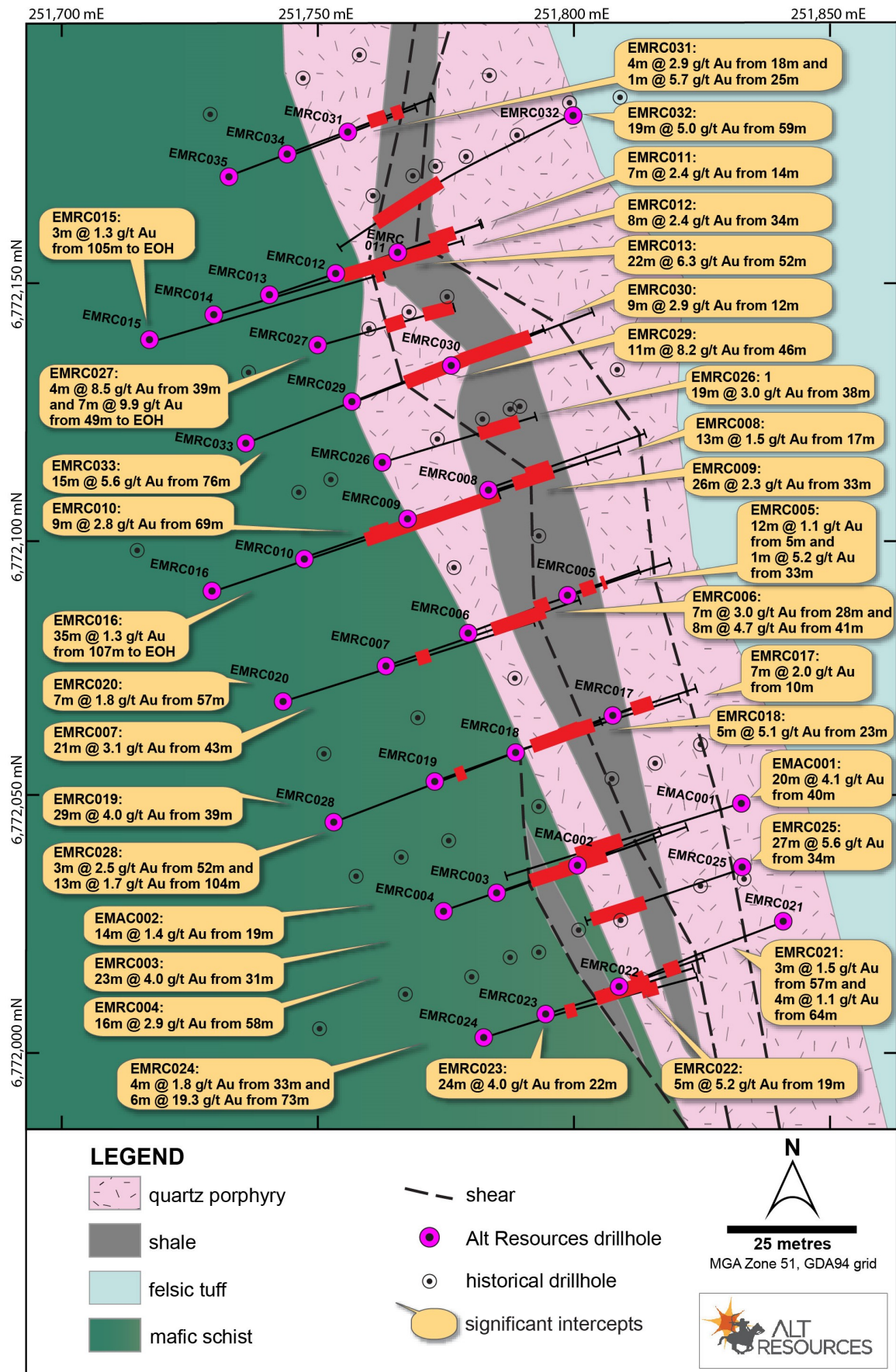


Figure 3. Plan view map of drilling at the Emu deposit, Bottle Creek, showing Alt's drilling during the Quarter and selected significant intercepts as described in the text and as announced previously^{2,3,4}.



Bottle Creek Mining Hub

Post Quarter-end, Alt provided an overview of its strategy for the future development of the Bottle Creek Project as a Mining Hub for the Mt Ida gold belt⁵. Alt is planning to fast track Bottle Creek to a Pre-Feasibility Study (PFS) at the completion of the resource drilling and validation of the historical Bottle Creek results. These activities will bring the project into JORC 2012 compliance. Diamond Drilling will be undertaken across the Emu and Southwark mineralised zones in May 2018, twinning key RC holes to undertake new metallurgical studies and completing geotechnical holes for pit design.

Alt has extensive historical data from the previous exploration and operational mining cycle, which is expected to expedite completion of the PFS.

Mt Ida and Quinns Projects

Alt is acquiring the Mt Ida South, Quinns and Mt Ida JV Projects from Latitude Consolidated Ltd in January 2018⁶. These projects lie immediately adjacent and surrounding the Bottle Creek Project in the Mt Ida region of WA (Figure 2). These projects have a combined existing JORC resource estimate of 1.23 Mt @ 2.46 g/t Au, for 97,037oz Au⁷.

Alt is conducting a thorough review and target generation/prioritisation exercise for the Mt Ida and Quinns Projects. Initial priority exploration target areas include the Shepherds Bush prospect located in the Mt Ida South area and the Matisse prospect located north of the Quinns Mining Centre. Alt will submit drilling applications to the DMIRS for the Mt Ida and Quinns Projects as soon as the data review and target generation is completed.

Mt Ida Project acquisition

In January Alt entered a binding Heads of Agreement (“HOA”) with Latitude Consolidated Limited to purchase Latitude’s Mt Ida Project tenements located approximately 200km north-west of Kalgoorlie in Western Australia⁶.

Key terms included:

- Alt to make a cash payment of \$400,000 to LCD within seven days of signing the Agreement;
- Alt to issue \$750,000 in tradeable fully paid ordinary ARS shares at a deemed price of 6 cents for a total of 12,500,000 shares, with a voluntary escrow period of 6 months as at the 31st March 2018;
- Alt to grant \$250,000 of options over fully paid ordinary ARS shares, being 3,125,000 options, with each option having an exercise price of 8 cents and exercisable for 3 years from date of issue. The issue of shares and options pursuant to the acquisition of the LCD assets is subject to shareholder approval; and

⁵ See ARS announcement, 9th April, 2018: https://www.altresources.com.au/wp-content/uploads/2018/04/Bottle-Creek-Processing-Hub-Strategy_-9Apr18.pdf

⁶ See ARS announcement, 16th January, 2018: https://www.altresources.com.au/wp-content/uploads/2018/01/ARS_ASX_Mt-Ida-Acquisition-16Jan18-Final.pdf

⁷ See LCD announcement, 14th Sept, 2016: <https://www.asx.com.au/asxpdf/20160914/pdf/43b5hknb4d4gtg.pdf>



- Alt to make a cash payment of \$600,000 to LCD on or before the 31st March, 2018.

Alt completed the first payment of \$400,000 to Latitude for the Mt Ida Project in January⁸.

NEW SOUTH WALES

Myalla Project

The Myalla Project is located in southern NSW and encompasses historical gold workings at the Rock Lodge Prospect (**Figure 4**). In February, Alt commenced a small RC drilling program to test historical intercepts of massive sulphides with recorded grades up to 4.28 g/t Au, 35 g/t Ag, 0.79% Cu and 13.5% Zn.

Alt drilled six holes (MYRC001 to MYRC006) for 557m targeting mineralisation beneath historical workings and adjacent historical holes aiming to confirm significant intercepts from the 1980s. Alt's RC program represents the first modern exploration at the Rock Lodge Prospect in over 25 years.

Significant intercepts⁹ included:

- **MYRC001:** 3m @ 2.1 g/t Au, 3.7 g/t Ag and 174 g/t Bi from 17m and 2m @ 2.7 g/t Au, 11.8 g/t Ag, 300 g/t Bi and 0.48% Cu from 62m
- **MYRC003:** 1m @ 5.4 g/t Au, 55.6 g/t Ag and 212 g/t Bi from 40m
- **MYRC004:** 1m @ 1.1 g/t Au, 8.0 g/t Ag, 0.21% Cu and 0.11% Zn from 32m
- **MYRC005:** 2m @ 1.6 g/t Au, 9.5 g/t Ag and 903 g/t Bi from 19m and 1m @ 1.4 g/t Au, 37.5 g/t Ag, 163 g/t Bi and 1.56% Pb from 23m and 1m @ 4.8 g/t Ag, 0.48 % Pb and 1.46 % Zn from 57m
- **MYRC006:** 1m @ 3.0 g/t Au, 11.4 g/t Ag and 685 g/t Bi from 38m

This confirmed the system as polymetallic, with possible Intrusion-Related Gold System affinities given the presence of anomalous Bismuth in most holes (up to 0.12 % Bi in drillhole MYRC005). This is similar to Alt's interpretation for the nearby Paupong mineralised system, which is a greenfield discovery by the Company with a footprint of approximately 8 x 4km².

Due to these results, Alt is planning a deeper diamond drilling program to test IP and EM (induced polarisation and electro-magnetic) anomalies identified in geophysical surveys undertaken in 2016-2017. Alt aims to undertake diamond drilling of these deeper targets late in 2018.

⁸ See ARS announcement, 24th January, 2018: <https://www.altresources.com.au/wp-content/uploads/2018/01/ARS-%E2%80%93-ASX-ANNOUNCEMENT-24-Jan-2018.pdf>

⁹ See ARS announcement, 23rd March, 2018: <https://www.altresources.com.au/wp-content/uploads/2018/04/Alt-ASX-Gold-base-metals-at-Myalla-23Mar18.pdf>

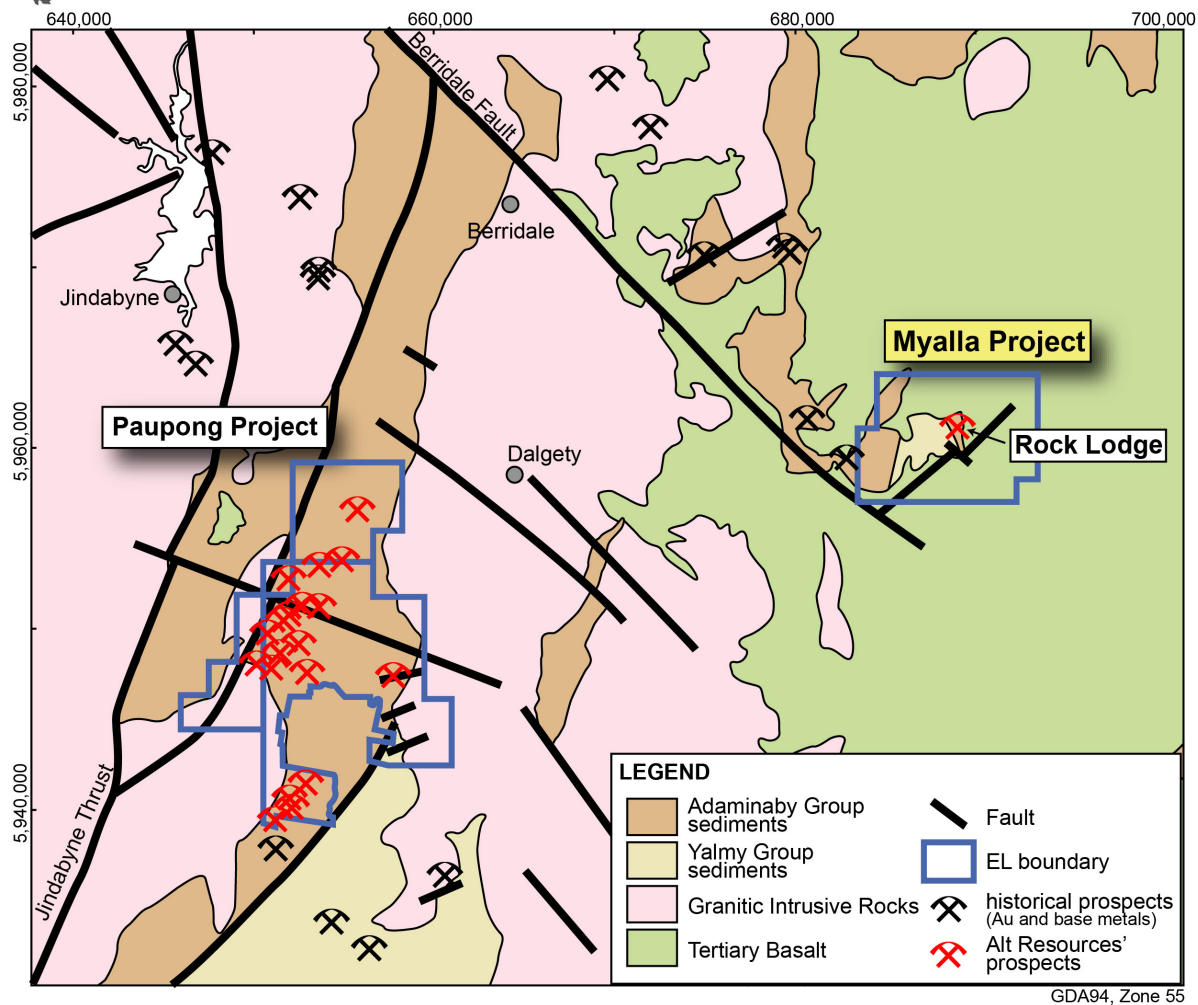


Figure 4. Location of the Myalla project, east of Jindabyne and within the same region of the Lachlan Fold Belt as the Company's Paupong Intrusion-Related-Gold Project.

Paupong Project

As part of ongoing exploration at the Paupong Intrusion-Related Gold (IRG) Project, Alt commenced a review of all existing geophysical survey data, including detailed aeromagnetics, gradient and dipole-dipole Induced Polarisation surveys conducted by Alt and JV partner GFM Exploration between 2012 and 2016. The Company will review and re-process data to generate new targets based on the expanded knowledge and understanding of the Paupong IRG system, developed by Alt over the last few years.

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About Alt Resources

Alt Resources is an Australian based mineral exploration company that aims to become a gold producer by exploiting historical and new gold prospects across quality assets and to build value for shareholders. The Company's portfolio of assets includes the newly acquired Bottle Creek gold mine located in the Mt Ida gold belt, the Paupong IRG Au-Cu-Ag mineral system in the Lachlan Orogen NSW, Myalla polymetallic Au-Cu-Zn project east of Dalgety in NSW and the Mt Roberts gold project located near the town of Leinster in WA.

Alt Resources, having acquired historical and under-explored tenements in the Mt Ida Gold Belt, aims to consolidate the historical resources, mines and new gold targets identified within the region. Potential at Mt Ida exists for a centralised production facility to service multiple mines and to grow the Mt Ida Gold Belt project to be a sustainable and profitable mining operation.

COMPETENT PERSON'S STATEMENT

Information in this report that relates to Exploration Activities is based on information compiled by Dr H. Degeling, a Competent Person and a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Dr Degeling is employed by the Company as Exploration Manager and holds securities in the Company. Dr Degeling has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012). Dr Degeling consents to inclusion of the information in this document in the form and context in which it appears.

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